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October 1, 2004

Hon. Jaclyn A. Brilling
Secretary
State of New York
Public Service Commission
Three Empire State Plaza
Albany, N.Y. 12223-1350

RE: Case Number 03-G-1671

Dear Secretary Brilling:

Consolidated Edison Company of New York, Inc. ("Con Edison" or the "Company") is filing today with the Public Service Commission ("the Commission") amendments to its Schedule for Gas Service ("the Schedule"), PSC No. 9 - Gas. The changes to the Schedule are set forth in the attached tariff leaves and Statements, which bear an effective date of October 1, 2004 and a notation that the leaves and Statements are issued in compliance with the Commission's Order dated September 27, 2004 ("September 2004 Order") in the subject case. [1] There are also tariff leaves which bear an effective date of November 1, 2004 and the same notation to recognize the date that the Company will implement changes to the method for determining cash-out prices applied to the end-of-month surplus and deficit quantities of marketers serving daily-metered interruptible or off-peak firm Customers. A list of the revised tariff leaves and Statements is set forth on Appendix A. Also attached is Supplement No. 21 to the Schedule canceling, as of October 1, 2004, the tariff leaves filed on November 21, 2003, and the related supplements that postponed the effective date of such leaves.

<u>Reasons for the Proposed Changes</u>

On November 21, 2003, the Company submitted a filing to the Commission proposing rate and other tariff changes to become effective October 1, 2004, in Case 03-G-1671. On May 28, 2004, the Company, the Department of Public Service Staff, the City of New York, and other

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[1] Case 03-G-1671, *Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc. for Gas Service*, Order Adopting the Terms of a Joint Proposal, issued and effective September 27, 2004.

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parties submitted a Joint Proposal ("Proposal") to the Commission proposing a three-year gas settlement plan commencing October 1, 2004.

The tariff amendments being filed herewith are in compliance with the Commission's September 2004 Order. The September 2004 Order implements a comprehensive three-year rate plan ("Gas Rate Plan") for Con Edison's gas service covering the period from October 1, 2004 through September 30, 2007. The Gas Rate Plan is designed to balance the Customers' preference for rate predictability with the Company's need for rate relief to cover increased expenses and to provide for investment in the Company's gas infrastructure. The Gas Rate Plan also promotes the continued development of competitive gas supply through several new programs and initiatives and provides rate relief to low-income Customers.

Summary of Proposed Changes

The rates reflected on the attached tariff leaves have been designed to produce a one-time increase in delivery revenues of approximately $46.8 million (including gross receipt taxes) in the first Rate Year ("RY1"), commencing October 1, 2004, based on the estimated level of firm delivery volumes for the twelve months ended September 30, 2005. Delivery rates will be fixed at the RY1 level in the second and third Rate Years ("RY2 and RY3") of the Gas Rate Plan, except for changes made to the low-income delivery rate in RY3 as described below. Together with other changes as described herein (e.g., disposition of non-firm revenue credits and recovery of gas efficiency program costs), total customer bill increases are estimated to be approximately 5.4% for an average residential heating customer using 300 therms per month, and 4.5% for a commercial heating customer using 900 therms per month. The increase in gas delivery rates is the first such increase since 1995.

The attached tariff leaves reflect the following:

Rate Design

1. Allocation of Increased Revenue Requirement and Other Revenue Neutral Rate Design Changes

In accordance with the September 2004 Order, the RY1 revenue increase of $46,800,000, less gross receipt taxes of $1,778,000, was allocated to the Company's firm sales and firm transportation Customers in Service Classification Nos. ("SC") 1, 2, 3, 9 and 13 in the following manner:

- SC 1 and the corresponding SC 9 firm transportation sub-class were assigned 1.25 times the average delivery rate percentage increase;
- SC 2 HTG and the corresponding SC 9 firm transportation sub-classes were assigned 0.75 times the average delivery rate percentage increase;
- SC 3 and the corresponding SC 9 firm transportation sub-classes were assigned the average delivery rate percentage increase; and
- SC 2 NH and SC 13 and the corresponding SC 9 firm transportation sub-classes were assigned the balance of the increased revenue requirement resulting in increases for these classes that are slightly below the average delivery rate percentage increase.

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The overall average delivery rate percentage increase was determined by dividing the Rate Year delivery revenue increase by the total Rate Year delivery revenues, as adjusted to recognize the annual loss in revenues resulting from the transfer of religious institutions, community residences and veterans' posts to firm non-residential service.

The Company also made the following rate changes: (1) allocation to firm sales and firm transportation classes of $1.6 million of average annual rate reductions to be provided to Customers qualifying for the Company's new low-income program; (2) the roll-in to base rates of RY1 State Income Tax ("SIT") expenses before the rate increase ($7,249,000 less gross receipt taxes of $275,000) with a corresponding decrease being made to the amount collected through the separate percentage increase to the Company's rates and charges; and (3) recovery of a $335,991 loss in annual revenues resulting from changes to the gas tariff that will allow religious institutions, community residences (that are supportive or supervised living facilities) and veterans' posts or halls to elect to transfer from residential to non-residential rates. These rate changes do not change overall Company revenues (i.e., the changes are revenue neutral).

2. Proposed Rate Design Within the Firm Classes

The gas rates were designed in steps. First, the current October 1, 2003 rates were increased to provide for the recovery of the annual revenue loss resulting from the transfer of religious Customers, community residences and veterans' organizations from residential to non-residential rates as referred to above. Second, starting with RY1 delivery revenues at the redesigned October 1, 2003 rates, the increased revenue requirement was allocated to the firm service classes as explained above. Third, each class's delivery rate increase was expressed on the basis of the historical annual period ending December 31, 2002, i.e., the period for which detailed billing data were available. Finally, proposed gas delivery rates were designed for each firm service class to collect its respective assigned historical increase as follows:

- The minimum charge (the charge for the first 3 therms or less) in SCs 1, 2, and 3 was increased from $11.08 to $12.38 per month (i.e., an increase representing 1.3 times the overall average delivery rate percentage increase). The SC 13 minimum charge and the corresponding SC 9 minimum charge, which collect minimum charges over seven months as opposed to twelve months, were increased from $18.99 to $21.22.
- The remaining SC 1 rate block (for usage over 3 therms per month) was designed to collect the balance of the historical revenue increase assigned to SC 1 after accounting for the increased revenues to be collected through the proposed minimum charge.
- As previously mentioned, the minimum charge in SCs 2 and 3 was set the same as SC 1. The rates applicable to the 4-90 therm block in SCs 2 and 3 were set equal to the proposed SC 1 block rate for usage over 3 therms. The remaining two rate blocks within SCs 2 and 3 (for usage between 90 and 3,000 therms and for usage over 3,000 therms) were set to collect each class's respective revenue increase remaining after deducting the increase in annual revenues resulting from the changes to the Minimum Charges, the rate for usage between 4 and 90 therms and the air-conditioning rates (as explained below).
- After accounting for the increased revenues to be collected through the proposed SC 13 Minimum Charge, the remaining rate blocks in SC 13 were assigned the balance of the

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rate increase applicable to SC 13. The SCs 2 and 3 air-conditioning rates were set equal to the proposed block rates in SC 13.

- Riders E, F, G and I incentive rates, for usage up to 250 therms per month, were set equal to the proposed SC 2 rates. The delivery rates for usage in excess of 3,000 therms per month ("terminal rate") were set at 50% of the corresponding proposed SC 2 delivery rates. To maintain the existing rate differential between the SC 2 penultimate and terminal rates, the Riders E, F, G and I delivery rates for usage between 250-3,000 therms ("penultimate rate") were set at the increased terminal rates plus the difference between the proposed SC 2 penultimate rate and the proposed SC 2 terminal rate.
- No increases were allocated to SC 14 bypass Customers taking firm service under contract rates or to distributed generation Customers taking service under Rider H.

Appendix B shows by service classification, the annualized service class revenues for the twelve months ended December 31, 2002 at current October 1, 2003 rates (including the effect of the adjustment related to religious customers, community residences and veterans' organizations), the corresponding annualized service class revenues at the proposed rates, the total increase in annual service class revenues and the associated number of Customers' bills.

3. Low Income Rate Provision

A new rate provision has been added to SCs 1 and 3 applicable to low-income residential Customers who are receiving benefits under any of the following governmental assistance programs: Supplemental Security Income, Temporary Assistance to Needy Persons, Safety Net Assistance, Medicaid, or Food Stamps, or to Customers receiving a Home Energy Assistance Program Grant. Customers eligible for the low-income rate will be provided average annual rate reductions of $1.6 million through a 25% reduction off the delivery rate for monthly usage in excess of 3 therms for an eligible SC 1 Customer, and a 25% reduction off the rate for monthly usage between 4 and 90 therms for an eligible SC 3 Customer. SC 1 and 3 Customers will pay the full minimum charge for the first 3 therms and the full delivery rate for usage occurring in the remaining therm usage blocks contained in SCs 1 and 3. The 25 % rate reduction may be reset in RY3 if the aggregate actual rate reductions are expected to exceed or be less than $4.8 million over the three rate years. If the Company revises such percentage in RY3, the percentage rate established for RY3 shall not exceed 30% or be less than 20% of the full delivery rates. At the end of RY3, any difference remaining between $4.8 million and the aggregate actual level of low income reductions provided over the three Rate Years shall be credited or surcharged to firm customers as an adjustment to the Monthly Rate Adjustment over a twelve-month period, commencing October 1, 2007.

Retail Choice

Changes have been made to SCs 9 and 20 to insert provisions for a Purchase of Accounts Receivable Program ("POR") for Energy Service Companies/Marketers (ESCOs) that the Company will initiate on a date yet to be determined during the term of the Gas Rate Plan. Under the POR, the Company will purchase gas commodity service accounts receivable, at a discount and without recourse, on the accounts of firm transportation Customers who receive a consolidated utility bill from the Company that includes gas commodity services provided by the

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ESCOs.[2] The Company expects to commence the POR by April 1, 2005, and, as provided in the Proposal, the Company will provide active parties in Case 03-G-1671 the opportunity to receive information on the initial discount rate sixty days before the POR's implementation date. Also, prior to the implementation date of the POR, the Company will file revisions to its Gas Sales and Transportation Operating Procedure Manual setting forth the details of the program, including the billing options available to Marketers not participating in the POR. Upon implementation of POR, the Company will issue Consolidated Bills only for ESCOs participating in the POR. For residential customers of non-participating ESCOs, an ESCO will separately bill residential Customers for their charges under the dual billing model; and for non-residential Customers, the ESCOs may follow either the dual billing model or the ESCO consolidated billing model.

The attached tariff leaves reflect continuation of the current 24.0 cents per dekatherm Competitive Retail Choice Credit ("CRCC") applicable to firm transportation Customers and the currently effective $0.65 per bill credit provided to firm transportation Customers receiving consolidated bills. The Company will also continue to use 1.2 cents per dekatherm as the Avoided Charge Surrogate for firm customers who migrate to firm transportation before the implementation date of the POR. Once the POR takes effect, the Avoided Charge Surrogate for load migrating thereafter will be the sum of 1.2 cents and the equivalent value of the POR discount, as adjusted to exclude incremental costs pursuant to the Proposal.

Net aggregate CRCCs (24.0 cents per dekatherm less the applicable Avoided Cost Surrogate) and the $0.65 consolidated bill credits will be funded by reducing the credits or revenues otherwise due Customers, i.e., interstate pipeline refunds and Customer charges related to Customers' failure to comply with the terms and conditions of the Company's interruptible, off-peak firm and power generation services. CRCC funding sources will also be used to fund recovery of migration incentives as provided in the Proposal. If such credits or revenues are not sufficient to fully fund net CRCCs, consolidated billing credits and migration incentives, any shortfall will be recovered through a separate "Transition Adjustment for Competitive Services" via the Monthly Rate Adjustments ("MRA") applicable to firm sales and firm transportation Customers.

<u>Other Tariff Changes</u>

The Company has made the following additional tariff changes in compliance with the Order:

1. Gas Cost Factor: The pertinent section of the tariff describing the Factor of Adjustment Ratio for line losses that will be used in computing the Gas Cost Factor ("GCF") has been revised. For RY1, the line loss factor ("LLF") will be set equal to 1.0299. For succeeding Rate Years, the LLF will be calculated based on the Company's three-year average actual line losses. However, the Factor of Adjustment Ratio will not change if the three-year average actual line losses on which the Ratio is based falls within +/- 5% of the prior LLF. For purposes of calculating the annual GCF reconciliation, the applicable LLF will also not change. Actual lost and unaccounted for gas will be calculated as Total Distribution Sendout (Marketer, Direct Customer and Con Edison deliveries, netting out gas for power generation and LNG injections) divided by Total

[2] The Company will purchase a current Customer's accounts receivables associated with gas delivered to a Customer commencing with the date the Company initially begins purchasing accounts receivables for such account.

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Customer Meter Volumes (i.e., firm sales and transportation, interruptible and off-peak firm sales and transportation, Company use, netting out gas for power generation).

The annual GCF reconciliation will reflect actual lost and unaccounted for gas, calculated as follows:

a. If actual line losses are less than the applicable LLF (e.g., 2.9% in RY1), the Company will retain the benefit of the difference between the LLF and actual line losses up to and including 1% below the LLF (i.e., down to 1.9%), and will continue to reflect for the benefit of Customers any actual line losses more than 1% below the LLF (i.e., below 1.9%); or

b. If actual line losses are greater than the applicable LLF (e.g., 2.9% in RY1), the Company will bear the cost of the difference between the LLF and actual line losses up to and including 1% above the LLF (i.e., up to 3.9%), and Customers will continue to bear the cost of any actual line losses more than 1% above the LLF (i.e., above 3.9%);

In any Rate Year, the Company will not retain or bear more than $6.25 million related to line loss differentials.

2. Disposition of Non-Firm Revenues: Provisions related to the disposition of Non-Firm Revenues have been revised in accordance with the Order. Specifically, for each Rate Year commencing October 1, 2004, and for each Rate Year thereafter, the Company will retain the first $35 million of Non-Firm Revenues. Non-Firm Revenues above $35 million will be allocated for the benefit of firm Customers as follows: (i) 80% of the amount in excess of $35 million up to $50 million; (ii) 75% of the amount in excess of $50 million up to $70 million; and (iii) 90% of the amount in excess of $70 million. One-half of firm customers' allocated share of non-firm revenues will be credited to firm customers through a combination of the Non-Firm Revenues Credit included in the applicable MRA and through a reduction to the average cost of gas used in computing the Monthly GCF. The balance of firm customer's share will be deferred for future customer benefit. The Company will retain the balance of Non-Firm Revenues not allocated to firm Customers above the first $35 million. The firm Customers' share of Non-Firm Revenues will be reduced to provide for recovery of the cost of plant in service applicable to interruptible and off-peak firm Customers (excluding power generation Customers) as of September 30, 2004, and amortized over a five-year period beginning October 1, 2004 and ending September 30, 2009. Additionally, the revenues generated from each interruptible Customer commencing service on or after October 1, 2004 under SC 12 Rate 1 and the corresponding SC 9 subclass will be retained by the Company and excluded from non-firm revenues and applied towards recovery of the facility costs (including return and taxes) incurred to serve that Customer. Once such costs are fully recovered, the revenues provided by the interruptible Customer will be included in the non-firm revenue sharing mechanism.

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3. Monthly Rate Adjustment: Provisions related to the computation of the MRA applicable to SCs 1, 2, 3 and 13 Customers and corresponding SC 9 firm transportation Customers have been amended to provide for the following:

   a. An Annual Gas Efficiency Surcharge will be applied to the MRA to recover the cost of a $5.0 million Gas Efficiency Program to be implemented over the Gas Rate Plan, including administrative and program costs and lost revenues, and the cost of a $200,000 Gas Energy Efficiency Study to be conducted during RY1. At the beginning of each Rate Year, the Company will estimate the costs associated with gas energy efficiency programs that will need to be funded in that Rate Year. The Annual Gas Efficiency Surcharge will be computed by dividing estimated gas efficiency program costs, including lost revenues, by projected 12-month firm sales and firm transportation volumes. At the end of each Rate Year, the Company will reconcile actual program costs with the actual amounts collected through the Surcharge and any under- or over-collection of program costs will be recognized in the calculation of the following year's Surcharge. The Company will retain the flexibility to adjust the Surcharge at other times during each year that the Surcharge is in effect to recognize significant differences between actual program costs and revenues collected. The Surcharge will terminate when actual funding levels for the Gas Efficiency Program/Study reach $5.2 million.

      For RY1, the Company estimates that it will spend (i) $1.67 million towards gas efficiency programs, which represents one-third of the total $5.0 million Program costs to be incurred over the Gas Rate Plan and (ii) $200,000 towards funding of the Gas Energy Efficiency Study. As shown on the enclosed Statements, this results in a 0.1838 cent per therm Surcharge to the MRA applicable to firm Customers.

   b. In accordance with the terms of the Proposal, a separate "Property Tax Reconciliation Surcharge" will apply to the MRA to recover deferred property taxes (excluding the effect of property tax refunds or credits) that accumulate in excess of $10 million, commencing with RY3 and for each year thereafter, until rates are reset.

4. Monthly Dual-Fuel Minimum Charge: Clarifying tariff changes have been made to the language contained in SCs 2 and 3 describing the monthly Minimum Charge applicable to dual fuel Customers with an annual allocation or actual annual usage greater than 100,000 therms. The tariff has been modified to delete obsolete language and to add language clarifying that the Minimum Charge provision applies both to new Customers and to existing Customers who convert from gas only to dual-fuel burning equipment or increase their annual usage to 100,000 therms.

5. The virtual storage option service has been eliminated from the SC 20 Marketer tariff.

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6. The definitions of SC 9 firm transportation Customers' deficiency and surplus imbalances have been changed. Customers will be charged or credited for line losses by multiplying the deficiency or surplus imbalance by the factor of adjustment ratio used in determining the GCF for the Company's full service sales Customers.

7. Prepayment for Facility Costs: Tariff provisions contained in SC 12 and the corresponding provisions in SC 9 related to Customer prepayments for facility costs have been modified to require interruptible and off-peak firm Customers to pay in advance for facility costs, except to the extent such Customers qualify for one of the Company's incentive programs.

8. SIT: General Information Section VIII of the Gas Tariff has been amended to remove the provision for recovery of SIT beginning October 2004 through the separate surcharge to the Company's monthly rates and charges. The surcharge mechanism will continue to reconcile SIT related to prior period SIT amounts. A revised Statement of Percentage Increase in Rates and Charges is attached.

9. General Information Section III (3) of the Gas Tariff, which describes Customer and Company responsibilities regarding installation of mains and services, has been revised to add a new main reinforcement surcharge applicable to dual-fuel applicants for firm service. Such surcharge will apply to any firm Customer commencing service on or after October 1, 2004, who has dual-fuel capability or later installs dual-fuel capability if such Customer's actual usage for any annual period during the first five years of service falls below 50% of the Customer's Annual Allocation (i.e., estimated annual energy requirements). Following commencement of the surcharge, the surcharge amount collected in any annual period shall not exceed 20% of the actual cost of the main reinforcement and appurtenant facilities, including return, depreciation, taxes and O&M, as adjusted by 50% of net base revenue collected from the Customer during any annual periods prior to commencement of the surcharge. The monthly amount of the surcharge shall also be adjusted by 50% of the current month's net base revenues, provided the credit does not exceed the amount of the monthly surcharge.

10. A new provision has been added to the rate sections contained in SC 12 Rate B and SC 9 Rate C of the Gas Tariff to allow the Company to consider a request for a negotiated delivery rate by an off-peak firm Customer having an estimated annual gas usage of 3,000,000 therms or greater. Any negotiated rate will be fixed for a term of no less than three consecutive calendar months, provided, however, that the Customer will continue to be subject to the full minimum charge. The minimum charge is equivalent to the product of 50% of the Customer's annual energy requirements multiplied by the applicable tariff rate (i.e., 8.0, 7.5 or 7.0 cents per therm for the first 500,000 therms of usage per month and a one cent per therm reduction off such rates for usage over 500,000 therms per month) for the term of the Customer's agreement (i.e., one, two or three years). The process that the Company will follow in considering a Customer's request for a negotiated rate for delivery service will be set forth in the Company's Gas Sales and Transportation Operating Procedures.

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11. The SCs 9 and 20 have been amended to incorporate a change in the current method of determining the cash-out prices applied to the end-of-month surplus and deficit quantities of Marketers serving daily-metered interruptible or off-peak firm Customers. Such change will be implemented effective November 1, 2004. Corresponding changes will be made to the Company's Gas Sales and Transportation Operating Procedures to recognize the new cash-out methodology. [3] The Company has also extended, for one additional year, its daily and monthly imbalance trading programs that expire on September 30, 2004.

12. The applicability section contained in SC 2 has been amended to allow religious Customers, community residences (supportive or supervised living facilities) and veterans' posts to take gas service under this service classification even if they are taking electricity service under residential rates. The Company's application form contained in the General Information section of the Gas Tariff has also been revised to recognize this change.

13. Sections of the Schedule pertaining to disconnection of service have been amended to recognize the Company's right to disconnect its delivery service to a Customer where the Company is purchasing a Marketer's receivables for such Customer.

Conclusion

Pursuant to Ordering Clause No. 3 of the September 27, 2004 Order and as amended by the Erratum Notice issued October 1, 2004, the Company has filed the tariff changes to take effect on a temporary basis on October 1, 2004. Publication of notice of these changes will be completed after October 1, 2004.

As directed in Ordering Clause No. 2, the Company is canceling the tariff leaves submitted by the Company in November 2003 and related supplements. Accordingly, Supplement No. 21 to P.S.C. No. 9 – Gas, cancels the tariff leaves issued on November 21, 2003, and Supplement Nos. 18 and 19.

The Company is serving copies of this filing upon all parties to this proceeding.

Respectfully submitted,
Consolidated Edison Company of New York, Inc.

By: ___________________________
Joan S. Freilich
Executive Vice-President and
Chief Financial Officer

[3] In compliance with the Proposal, the Company will file at a later date, to become effective on or after April 1, 2005, changes to its tariffs and Operating Procedures to reflect a change in the cash-out mechanism for marketers serving monthly-metered firm Customers, including recovery of actual incremental costs associated with implementation of such program through retention of firm Customers' share of Non-Firm Revenues. The Company will also file on or before April 1, 2005, changes to its Gas Tariff and Operating Procedures to institute a marketer assignment program under which the Company would have the right to use or acquire capacity and /or bundled sales used by Marketers to satisfy their primary point delivery obligation.

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PSC NO. 9 – GAS

The following leaves bear an effective date of October 1, 2004:

Leaf 31 - Revision 1
Superseding Revision 0

Leaf 32 - Revision 1
Superseding Revision 0

Leaf 35 - Revision 1
Superseding Revision 0

Leaf 36 - Revision 1
Superseding Revision 0

Leaf 37 - Revision 1
Superseding Revision 0

Leaf 82 - Revision 2
Superseding Revision 1

Leaf 83 - Revision 1
Superseding Revision 0

Leaf 132- Revision 6
Superseding Revision 4

Leaf 146 - Revision 6
Superseding Revision 4

Leaf 152 - Revision 6
Superseding Revision 4

Leaf 154.18 – Revision 1
Superseding Revision 0

Leaf 155 – Revision 6
Superseding Revision 4

Leaf 157 – Revision 7
Superseding Revision 5

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Original Leaf 157.1

Leaf 159 – Revision 8
Superseding Revision 6

Leaf 162 – Revision 5
Superseding Revision 3

Leaf 164 – Revision 7
Superseding Revision 5

Leaf 165 – Revision 7
Superseding Revision 5

Leaf 166 – Revision 4
Superseding Revision 2

Leaf 166.1 – Revision 2
Superseding Revision 0

Leaf 166.2 – Revision 2
Superseding Revision 1

Leaf 167 - Revision 5
Superseding Revision 3

Leaf 169 - Revision 6
Superseding Revision 4

Leaf 183.2 – Revision 5
Superseding Revision 3

Leaf 183.3 – Revision 1
Superseding Revision

Leaf 187 - Revision 2
Superseding Revision 1

Leaf 228 - Revision 6
Superseding Revision 4

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Leaf 230 - Revision 7
Superseding Revision 5

Leaf 231 - Revision 6
Superseding Revision 4

Leaf 233 - Revision 2
Superseding Revision 0

Leaf 234- Revision 4
Superseding Revision 2

Leaf 240 - Revision 6
Superseding Revision 4

Leaf 241 - Revision 1
Superseding Revision 0

Leaf 242 - Revision 2
Superseding Revision 0

Leaf 243 - Revision 4
Superseding Revision 2

Leaf 251 - Revision 4
Superseding Revision 3

Leaf 255 - Revision 7
Superseding Revision 5

Leaf 258 - Revision 3
Superseding Revision 1

Leaf 259 - Revision 5
Superseding Revision 4

Leaf 260 - Revision 6
Superseding Revision 4

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Leaf 261.1- Revision 7
Superseding Revision 6

Leaf 263 – Revision 4
Superseding Revision 2

Leaf 265 – Revision 6
Superseding Revision 4

Leaf 269 – Revision 7
Superseding Revision 5

Leaf 270– Revision 6
Superseding Revision 4

Leaf 271 – Revision 6
Superseding Revision 4

Leaf 276 – Revision 2
Superseding Revision 1

Leaf 277.2 – Revision 3
Superseding Revision 1

Leaf 278 – Revision 3
Superseding Revision 1

Leaf 303.1 – Revision 2
Superseding Revision 0

Leaf 303.2 – Revision 3
Superseding Revision 1

Leaf 306 – Revision 2
Superseding Revision 1

Leaf 315.1 – Revision 4
Superseding Revision 3

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Original Leaf 315.2

Leaf 318 – Revision 3
Superseding Revision 1

Leaf 319 – Revision 2
Superseding Revision 0

Leaf 320 – Revision 2
Superseding Revision 0

Leaf 323 – Revision 1
Superseding Revision 0

Leaf 326 – Revision 3
Superseding Revision 2

Leaf 334 – Revision 1
Superseding Revision 0

Leaf 335 – Revision 2
Superseding Revision 0

Leaf 336 – Revision 2
Superseding Revision 0

Leaf 339 – Revision 3
Superseding Revision 0

Leaf 342.1 – Revision 2
Superseding Revision 0

Leaf 343 – Revision 2
Superseding Revision 0

Leaf 344 – Revision 3
Superseding Revision 0

Leaf 345 – Revision 2
Superseding Revision 1

Leaf 349 – Revision 6
Superseding Revision 4

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Leaf 355 – Revision 1
Superseding Revision 0

Leaf 362 – Revision 6
Superseding Revision 5

Leaf 389 – Revision 3
Superseding Revision 1

Leaf 389.1 – Revision 2
Superseding Revision 0

Leaf 389.2 – Revision 2
Superseding Revision 0

Leaf 389.3 – Revision 2
Superseding Revision 0

Leaf 389.4 – Revision 4
Superseding Revision 2

Leaf 397 – Revision 4
Superseding Revision 3

Leaf 397.2 – Revision 5
Superseding Revision 4

Leaf 397.3 – Revision 2
Superseding Revision 1

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The following leaves bear an effective date of November 1, 2004:

Leaf 293– Revision 1
Superseding Revision 0

Leaf 294 – Revision 1
Superseding Revision 0

Leaf 295 – Revision 1
Superseding Revision 0

Leaf 297– Revision 1
Superseding Revision 0

Leaf 298– Revision 2
Superseding Revision 1

Leaf 299 – Revision 1
Superseding Revision 0

Leaf 376 – Revision 2
Superseding Revision 1

Leaf 377 – Revision 2
Superseding Revision 1

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Appendix B

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
Estimated Effect on Gas Customers' Bills and Company Revenues Resulting from the Change in Gas Delivery Rates Effective October 1, 2004
Based on Sales for the Twelve Months Ended December 31, 2002 for Service Classification Nos. 1, 2, 3, 13 and 14
and the Corresponding SC 9 Firm Transportation Sub-classes

						Number of Customers' Bills		
Firm Service Classification (Sales and Transportation)	Proposed Annual Therms	Annual Revenues at Modified 10/01/03 Rates (b) (d)	Annual Revenues at Proposed Rates (b) (d)	Estimated Annual Revenue Increase (c)	Percent Change	Increased	Unchanged	Decreased
1 - Residential & Religious	49,458,747	$ 152,731,539.59	$ 166,460,401.85	$ 13,728,862.26	8.99%	8,872,279	32	1,244
2 - General - Rate I - Non-Heating (a)	163,527,038	$ 162,097,820.09	$ 167,173,837.79	$ 5,076,017.70	3.13%	714,440	-	-
2 - General - Rate II - Heating (a)	242,781,472	$ 254,100,199.14	$ 260,541,264.68	$ 6,441,065.54	2.53%	661,667	-	-
2 - Total	406,308,510	$ 416,198,019.23	$ 427,715,102.47	$ 11,517,083.24	2.77%	1,376,107	-	-
3 - Residential & Religious - Heating (a)	466,545,051	$ 542,265,554.27	$ 563,427,444.05	$ 21,161,889.78	3.90%	2,909,510	396	1,539
13 - Seasonal Off Peak Firm Service	827,438	$ 728,321.98	$ 746,132.05	$ 17,810.07	2.45%	2,923	-	-
14 - Natural Gas Vehicles	357,514	$ 345,000.00	$ 345,000.00	$ -	-	-	-	-
Total Firm Sales & Firm Transportation	923,497,260	$ 1,112,268,435.07	$ 1,158,694,080.42	$ 46,425,645.35	4.17%	13,160,819	428	2,783

(a) Gas air-conditioning is included in SC 2 and SC 3.
(b) Annual Revenues reflect the gas cost factor and monthly rate adjustments effective November 1, 2003 and projected gross receipt taxes.
(c) Based on projected firm sales and transportation volumes for the Rate Year Ended September 30, 2005, the estimated annual change in revenues is 4.2% ($46.8 million), excluding $1.6 million of low income customer rate reductions. Together with other rate changes (e.g., the effect of the $35 million revenue imputation of non-firm revenue and the recovery of estimated gas efficiency program costs of $1.8 million), the estimated annual change is 7.5%.
(d) Annual Revenues include gas supply costs for transportation customers equivalent to what these customers would have paid as full service customers.